

**IN THE CIRCUIT COURT FOR DAVIDSON COUNTY, TENNESSEE  
FOR THE TWENTIETH JUDICIAL DISTRICT, AT NASHVILLE**

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STATE OF TENNESSEE,  
Petitioner,

v.

WALGREEN CO., an Illinois corporation

Respondent.

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**AGREED ORDER**

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This cause came to be heard on the State of Tennessee's Petition and the parties' Assurance of Voluntary Compliance, and the Court is of the opinion that the Assurance of Voluntary Compliance should be approved. It is therefore

ORDERED, ADJUDGED, and DECREED that the Assurance of Voluntary Compliance annexed hereto and incorporated herein by reference, and hereby made a part of this Order be, and the same hereby is, approved, and it is further

ORDERED, ADJUDGED, and DECREED that Respondent shall comply with the terms thereof unless rescinded by the parties or modified by this Court for good cause shown.

As set forth in the Assurance and pursuant to an Agreement between Walgreen and the United States and certain Departments thereof dated September 14, 1999, Walgreen is required to pay the amount of \$7,600,000.00 to the United States. Walgreen consents and acknowledges that the United States shall pay to the State of Tennessee \$179,324.27 in accordance with an agreement between the United States and the State of Tennessee. This amount shall be provided to the State of Tennessee for the following purposes:

(A) The sum of Fifty-four Thousand Four Hundred Eighty-Eight Dollars and 00/100 Cents (\$54,488.00) shall be paid to the State of Tennessee for reasonable and appropriate attorneys' fees and costs of investigation, prosecution, auditing and monitoring for compliance of this matter, which may be used for consumer protection purposes, *qui tam*/false claims purposes, health care fraud purposes, and unfair or deceptive trade practices purposes at the sole discretion of the Attorney General. These monies represent a non-punitive payment by Walgreen to the State of Tennessee.

(B) To resolve Walgreen's potential liability pursuant to the Tennessee Medicaid False Claims Act, Tenn. Code Ann. § 71-5-182 et seq. and the False Claims Act, 31 U.S.C. 3729 et seq. and other laws for restitution and monetary sums due the State of Tennessee for its share of Medicaid dollars over payments, the State of Tennessee General Fund shall be paid the sum of One Hundred Twenty-Four Thousand Eight Hundred Thirty-Six Dollars and 27/100 Cents (\$124,836.27) to be used for the benefit of the Bureau of TennCare. These monies represent a non-punitive payment by Walgreen to the State of Tennessee.

Costs shall be taxed to Respondent. Further, no discretionary costs shall be taxed to the State.